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Scott Scheleur (Retail): (301) 763-2713
Joseph Murphy (Wholesale): (301) 763-2747
Chris Savage (Manufacturing): (301) 763-4832

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MANUFACTURING AND TRADE INVENTORIES AND SALES February 2006

Notice of Revision: Revisions to the Retail and Wholesale sales and inventories estimates were published March 30 and are reflected in this release. Revised historical data can be found on the internet at: <http://www.census.gov/bussales>. Revisions to the unadjusted and adjusted monthly estimates of manufacturing shipments and inventories are scheduled for release on May 19, 2006. For further information on these revisions, see <http://www.census.gov/indicator/www/m3>.

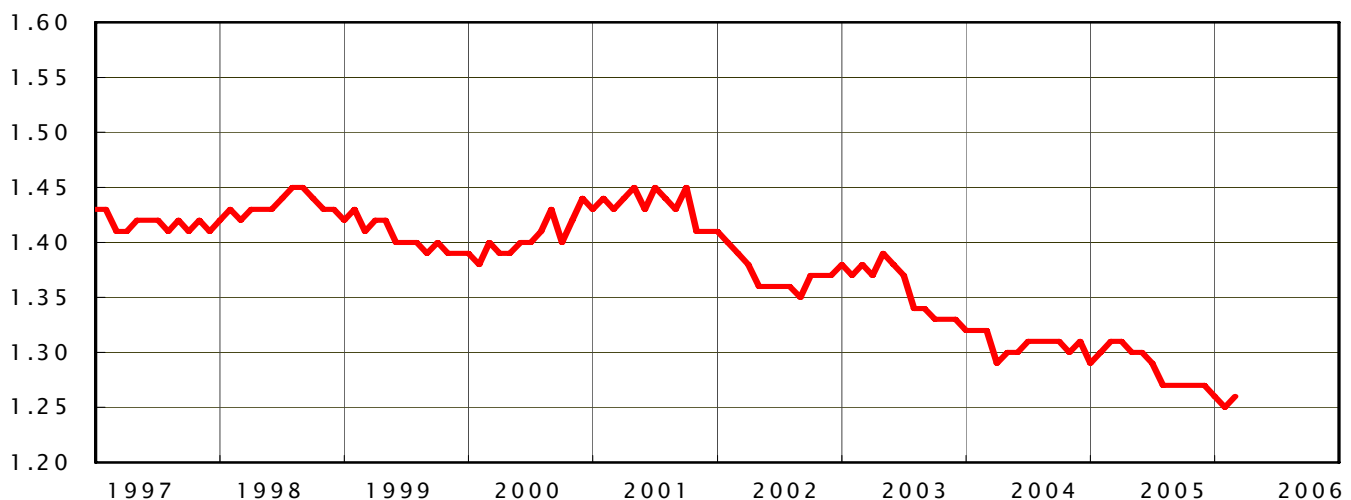
Sales. The U.S. Census Bureau announced today that the combined value of distributive trade sales and manufacturers' shipments for January, adjusted for seasonal and trading-day differences but not for price changes, was estimated at \$1,041.2 billion, down 0.6 percent ($\pm 0.2\%$) from January 2006 but up 7.8 percent ($\pm 0.3\%$) from February 2005.

Inventories. Manufacturers' and trade inventories adjusted for seasonal variations but not for price changes, were estimated at an end-of-month level of \$1,313.6 billion, virtually unchanged ($\pm 0.1\%$)* from January 2006 but up 3.7 percent ($\pm 0.3\%$) from February 2005.

Inventories/Sales Ratio. The total business inventories/sales ratio based on seasonally adjusted data at the end of February was 1.26. The February 2005 ratio was 1.31.

Total Business Inventories/Sales Ratios: 1997 to 2006

(Data adjusted for seasonal, holiday and trading-day differences but not for price changes)



The Manufacturing and Trade Inventories and Sales Report for March is scheduled to be released May 11, 2006 at 10:00 a.m. EDT.

For information, visit the Census Bureau's Web site at <http://www.census.gov/bussales>. This report is also available the day of issue through the Department of Commerce's STAT-USA (202-482-1986).

* The 90 percent confidence interval includes zero. The Census Bureau does not have sufficient statistical evidence to conclude that the actual change is different from zero.

Table 1. Estimated Monthly Sales and Inventories for Manufacturers, Retailers, and Merchant Wholesalers
(In millions of dollars)

	Sales			Inventories ¹			Inventories/Sales Ratios		
	Feb. 2006	Jan. 2006	Feb. 2005	Feb. 2006	Jan. 2006	Feb. 2005	Feb. 2006	Jan. 2006	Feb. 2005
	(p)	(r)	(s)	(p)	(r)	(s)			
Adjusted²									
Total business.....	1,041,161	1,047,810	965,833	1,313,564	1,313,677	1,266,619	1.26	1.25	1.31
Manufacturers ³	405,046	409,417	378,367	473,769	475,450	459,282	1.17	1.16	1.21
Retailers.....	324,001	326,403	301,567	474,303	475,498	463,277	1.46	1.46	1.54
Merchant wholesalers.....	312,114	311,990	285,899	365,492	362,729	344,060	1.17	1.16	1.20
Not Adjusted									
Total business.....	955,677	956,501	888,257	1,316,172	1,307,394	1,268,250	1.38	1.37	1.43
Manufacturers ³	383,455	373,213	359,440	477,422	473,261	462,466	1.25	1.27	1.29
Retailers.....	286,362	289,603	266,743	470,219	467,775	459,350	1.64	1.62	1.72
Merchant wholesalers.....	285,860	293,685	262,074	368,531	366,358	346,434	1.29	1.25	1.32

See footnotes and notes at the end of Table 3.

(p) Preliminary.

(r) Revised.

(s) Adjusted data were revised due to concurrent seasonal adjustment. No revisions were made to Not Adjusted data.

Table 2. Percent Changes for Sales and Inventories — Manufacturers, Retailers, and Merchant Wholesalers

	Adjusted						Not Adjusted					
	Sales			Inventories			Sales			Inventories		
	Feb. 06/ Jan. 06	Jan. 06/ Dec. 05	Feb. 06/ Feb. 05	Feb. 06/ Jan. 06	Jan. 06/ Dec. 05	Feb. 06/ Feb. 05	Feb. 06/ Jan. 06	Jan. 06/ Dec. 05	Feb. 06/ Feb. 05	Feb. 06/ Jan. 06	Jan. 06/ Dec. 05	Feb. 06/ Feb. 05
Total business.....	-0.6	1.2	7.8	0.0	0.6	3.7	-0.1	-11.8	7.6	0.7	1.3	3.8
Manufacturers.....	-1.1	0.1	7.1	-0.4	1.1	3.2	2.7	-7.5	6.7	0.9	3.5	3.2
Retailers.....	-0.7	3.0	7.4	-0.3	0.3	2.4	-1.1	-22.5	7.4	0.5	-0.2	2.4
Merchant wholesalers..	0.0	0.7	9.2	0.8	0.2	6.2	-2.7	-4.4	9.1	0.6	0.6	6.4

Table 3. Estimated Monthly Retail Sales, Inventories, and Inventories/Sales Ratios, By Kind of Business
(In millions of dollars)

NAICS Code	Kind of Business	Sales			Inventories ¹			Percent Change In Inventories			Inventories/Sales Ratios		
		Feb. 2006 (p)	Jan. 2006 (r)	Feb. 2005 (s)	Feb. 2006 (p)	Jan. 2006 (r)	Feb. 2005 (s)	Feb. 06/ Jan. 06	Jan. 06/ Dec. 05	Feb. 06/ Feb. 05	Feb. 06	Jan. 06	Feb. 05
	Adjusted ²												
	Retail trade, total.....	324,001	326,403	301,567	474,303	475,498	463,277	-0.3	0.3	2.4	1.46	1.46	1.54
	Total (excl. motor veh. & parts).....	248,714	248,923	227,153	320,985	321,073	309,983	0.0	0.3	3.5	1.29	1.29	1.36
441	Motor vehicle & parts dealers.....	75,287	77,480	74,414	153,318	154,425	153,294	-0.7	0.4	0.0	2.04	1.99	2.06
442,3	Furniture, home furn., elect. & appl. stores.....	18,554	19,107	17,357	30,910	30,703	28,983	0.7	1.3	6.6	1.67	1.61	1.67
444	Building materials, garden equip & supplies.....	30,766	30,634	26,006	46,319	46,538	43,934	-0.5	0.7	5.4	1.51	1.52	1.69
445	Food & beverage stores.....	44,690	44,291	42,384	33,810	33,751	33,275	0.2	0.3	1.6	0.76	0.76	0.79
448	Clothing & clothing access. stores.....	17,375	17,571	16,708	42,381	42,257	41,421	0.3	-0.4	2.3	2.44	2.40	2.48
452	General merchandise stores.....	45,604	45,659	42,946	73,463	73,886	71,787	-0.6	-0.4	2.3	1.61	1.62	1.67
4521	Dept. str. (excl. leased depts.).....	17,923	18,079	18,097	36,785	37,283	37,840	-1.3	-1.5	-2.8	2.05	2.06	2.09
	Not Adjusted												
	Retail trade, total.....	286,362	289,603	266,743	470,219	467,775	459,350	0.5	-0.2	2.4	1.64	1.62	1.72
	Total (excl. motor veh. & parts).....	218,372	223,388	199,478	311,428	310,220	300,537	0.4	-0.4	3.6	1.43	1.39	1.51
441	Motor vehicle & parts dealers.....	67,990	66,215	67,265	158,791	157,555	158,813	0.8	0.2	0.0	2.34	2.38	2.36
442,3	Furniture, home furn., elect. & appl. stores.....	16,713	17,329	15,564	29,303	29,874	27,447	-1.9	-1.3	6.8	1.75	1.72	1.76
444	Building materials, garden equip & supplies.....	24,009	24,381	20,279	47,153	46,212	44,637	2.0	3.0	5.6	1.96	1.90	2.20
445	Food & beverage stores.....	40,531	42,323	38,414	33,351	33,825	32,820	-1.4	-1.8	1.6	0.82	0.80	0.85
448	Clothing & clothing access. stores.....	14,533	12,970	13,905	40,431	38,876	39,516	4.0	-0.5	2.3	2.78	3.00	2.84
452	General merchandise stores.....	39,430	38,541	36,977	68,870	68,779	67,377	0.1	-2.1	2.2	1.75	1.78	1.82
4521	Dept. str. (excl. leased depts.).....	14,777	14,006	14,906	34,173	34,226	35,229	-0.2	-3.0	-3.0	2.31	2.44	2.36

(p) Preliminary

(r) Revised

(s) Adjusted data were revised due to concurrent seasonal adjustment. No revisions were made to Not Adjusted data.

¹ Inventories are on a non-LIFO basis as of the end of the month.

² Adjusted for seasonal variations and, in the case of sales, for trading-day differences and holiday variations. Concurrent seasonal adjustment is being used to adjust all sales, shipment and inventory estimates. Concurrent seasonal adjustment uses all available unadjusted estimates as input to the X-12-ARIMA program. The factors derived from the program are applied to the current and previous month estimates and for retail and wholesale estimates a year ago as well. For retail sales, concurrent seasonal adjustment is also used to adjust the advance estimates (published one month before the preliminary estimates) and the estimates one year before the advance month. This explains the revision to retail estimates from a year ago.

³ Manufacturers sales refer to the value of shipments by manufacturers. The shipments data from individual manufacturers are adjusted prior to tabulation for the number of trading days as well as for any variations in the length of the reporting period.

Note: U.S. and group totals include kinds of business not shown. The Manufacturing and Trade Inventory and Sales estimates are based on data from three surveys: the Monthly Retail Trade Survey, the Monthly Wholesale Trade Survey, and the Manufacturers' Shipments, Inventories, and Orders Survey. The sampling variability for retailers and merchant wholesalers can be used to construct a 90 percent confidence interval for the estimates. Over all possible samples, 90 percent of such intervals will cover the true estimate. These intervals are given in parentheses for the estimates on the front page. If, for example, the estimate is up 0.8 percent and the margin of sampling error is ± 1.2 percent, the 90 percent confidence interval is -0.4 percent to +2.0 percent. If the range contains 0, it is uncertain whether there was an increase or decrease. Measures of reliability for Retail and Wholesale sales and inventory levels and changes are included in the detailed monthly press releases for those Industries. Manufacturers do not contribute to estimates of sampling variability because the manufacturer's mail panel is not a probability sample from a known frame and standard errors of the industry estimates cannot be calculated. Estimates from all three surveys are also subject to nonsampling errors, which can arise in any stage of the survey. Such errors include coverage error (failure to accurately represent all population units in the sample) response errors, coding errors, and nonresponse. Although no direct measurement of these errors has been obtained, precautionary steps were taken in all phases of the collection, processing, and tabulation of the data to minimize their influence.